THE HON'BLE Ms. JUSTICE G. ROHINI

WRIT PETITION NO.11958 OF 2006

Dated: 29th June, 2006.

Between :

M/s. Larsen & Toubro Limited … Petitioner

And

1. The Principal Secretary (Transport),
   Roads & Buildings, Government of A.P.,
   A.P. Secretariat, Hyderabad and
   Another. .. Respondents

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ORDER :

The writ petitioner was awarded a contract by the respondents for construction of a multi-storied building and accordingly an agreement dated 6-7-2001 was executed. It is not in dispute that the work was completed as agreed upon and the petitioner submitted the bills in respect of the works executed. However, the respondents did not settle the bills / claims so far without there being any justifiable reason. The Bank guarantees furnished by the petitioner have not been released and the petitioner is compelled to extend the Bank guarantees from time to time. Hence, this writ petition seeking a direction to the respondents to finalise the bills and claims of the petitioner immediately and to discharge the petitioner from the obligation of the Bank guarantees specified thereunder.

In response to the notice ordered, a detailed counter-affidavit has been filed by the Chief Engineer (Buildings), R & B Department stating that due to various claims made by the petitioner which require consideration of the scope of the work done, the final bills could not be settled and the matter has been placed before the High Level Committee constituted by the Government vide G.O.Rt.No.635, T (R&B) (BII) Department, dated 8-6-2006 in pursuance of the representation submitted by the petitioner. It is also stated that once the matter is settled by the Committee, the bills would be finalized. A copy of G.O.Rt.No.635, T (R&B) (BII) Department, dated 8-6-2006

placed before this Court shows that the High Level Committee has been constituted to sort out the issues amicably and give a representation to the Government within two weeks.

The learned Counsel for the petitioner across the bar submitted that the petitioner has already extended Bank Guarantees and the same are valid upto 30-9-2006.

Having regard to the facts and circumstances and particularly keeping in view that the matter has already been placed before the High Level Committee for settling the bills of the petitioner, the Writ Petition is disposed of with a direction to the respondents to take the necessary further steps expeditiously and finalise the bills submitted by the petitioner as expeditiously as possible positively by 30-9-2006. No costs.

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G. ROHINI, J.

Dt. 27-6-2006

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